

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2023

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SENATE BILL 640  
Judiciary Committee Substitute Adopted 4/26/23  
House Committee Substitute Favorable 6/12/24  
House Committee Substitute #2 Favorable 6/26/24  
Fifth Edition Engrossed 6/26/24

Short Title: Amend Occupational Licensing Board Statutes.

(Public)

Sponsors:

Referred to:

April 6, 2023

1 A BILL TO BE ENTITLED  
2 AN ACT TO AMEND OCCUPATIONAL LICENSING BOARD STATUTES IN RESPONSE  
3 TO THE HOLDING IN NORTH CAROLINA STATE BOARD OF DENTAL  
4 EXAMINERS V. FEDERAL TRADE COMMISSION, TO MAKE VARIOUS CHANGES  
5 TO THE ALARM SYSTEMS LICENSING ACT, TO MODIFY THE MACHINERY ACT  
6 OF NORTH CAROLINA, AND TO INCREASE THE AMOUNT OF TRAINING  
7 REQUIRED FOR LICENSURE BY THE NORTH CAROLINA BOARD OF MASSAGE  
8 AND BODYWORK THERAPY.

9 The General Assembly of North Carolina enacts:

10  
11 **PART I. CHANGES IN RESPONSE TO DENTAL BOARD V. FTC**

12 **SECTION 1.** G.S. 93B-5(g) reads as rewritten:

13 "(g) Within six months of a board member's initial appointment to the board, and at least  
14 once within every two calendar years thereafter, a board member shall receive training, either  
15 from the board's staff, including its legal advisor, or from an outside educational institution such  
16 as the School of Government of the University of North Carolina, on the statutes governing the  
17 board and rules adopted by the board, as well as the following State and federal laws, in order to  
18 better understand the obligations and limitations of a State agency:

- 19 (1) Chapter 150B, The Administrative Procedure Act.  
20 (2) Chapter 132, The Public Records Law.  
21 (3) Article 33C of Chapter 143, The Open Meetings Act.  
22 (4) Articles 31 and 31A of Chapter 143, The State Tort Claims Act and The  
23 Defense of State Employees Law.  
24 (5) Chapter 138A, The State Government Ethics Act.  
25 (6) Chapter 120C, Lobbying.  
26 (7) Antitrust law and State action immunity.

27 Completion of the training requirements contained in Chapter 138A and Chapter 120C of the  
28 General Statutes satisfies the requirements of subdivisions (5) and (6) of this subsection."

29 **SECTION 2.** Chapter 93B of the General Statutes is amended by adding six new  
30 sections to read:

31 **"§ 93B-17. Occupational licensing board rulemaking.**



1 Each occupational licensing board shall adopt rules for the receipt and resolution of  
2 complaints, for taking disciplinary or enforcement actions against its licensees, and for taking  
3 enforcement actions against persons not licensed by the board.

4 **"§ 93B-18. Unlicensed activity.**

5 (a) An occupational licensing board shall have the authority to investigate unlicensed  
6 activity and notify unlicensed persons and entities of the possible violation of the law and  
7 administrative rules and any civil action or criminal penalty that may be imposed by a court. The  
8 notification shall not indicate that the occupational licensing board has made any finding of a  
9 violation but may indicate the board's belief or opinion that a particular act may violate the  
10 board's enabling statutes, include factual information regarding legislation and court proceedings  
11 concerning the potential violation, and provide notice of the board's intention to pursue  
12 administrative remedies or court proceedings with regard to the potential violation.

13 (b) Any occupational licensing board providing notification to unlicensed persons and  
14 entities of a possible violation of the law and administrative rules and any civil action or criminal  
15 penalty that may be imposed by a court shall include the following statement in the notification:

16 An occupational licensing board does not have the authority to order you to  
17 discontinue your current practices. Only a court may determine that you have  
18 violated or are violating any law and, if appropriate, impose a remedy or penalty  
19 for the violation. Further, pursuant to G.S. 150B-4, you may have the right, prior  
20 to initiation of any court action by the occupational licensing board, to request a  
21 declaratory ruling regarding whether your particular conduct is lawful. You are  
22 further notified that any right to a declaratory ruling supplements any other legal  
23 rights that you may already have to establish the legality of your conduct with  
24 respect to the goods or services you offer or provide.

25 **"§ 93B-19. Venue for court enforcement.**

26 The venue for occupational licensing boards seeking court order for injunctive relief or to  
27 show cause for failure to comply with a subpoena lawfully issued by the occupational licensing  
28 board shall be in the superior court of the county where the defendant resides or in the county  
29 where the occupational licensing board has its principal place of business.

30 **"§ 93B-20. Injunctive relief.**

31 An occupational licensing board may appear in its own name in superior court in actions for  
32 injunctive relief to restrain the violation of the provisions of a statute administered by the board  
33 or a rule or order of the board. The superior court shall have the jurisdiction to grant these  
34 injunctions, restraining orders, or take other appropriate action even if criminal prosecution has  
35 been or may be instituted as a result of the violations, or whether the person is a licensee of the  
36 board. No board shall issue such orders independently of the superior court unless specifically  
37 authorized to do so by law.

38 **"§ 93B-21. Jurisdictional disputes between boards.**

39 It is the policy of the State that jurisdictional disputes among occupational licensing boards  
40 shall be resolved through informal procedures. If a jurisdictional dispute among occupational  
41 licensing boards cannot be resolved through informal procedures, any affected board may  
42 commence an administrative proceeding to resolve the jurisdictional dispute by filing a petition  
43 with the Office of Administrative Hearings and serve the petition on all affected boards. Once  
44 the petition is filed and the required fee is paid, the dispute shall become a contested case and  
45 shall be conducted by the Office of Administrative Hearings under Articles 3 and 4 of Chapter  
46 150B of the General Statutes.

47 **"§ 93B-22. Complaint process.**

48 Each occupational licensing board shall develop and implement a complaint process that  
49 provides for all of the following:

- 50 (1) A description of the complaint process on the board's website, including the  
51 types of violations that are under the jurisdictional authority of the board.

- 1           (2) Electronic complaint submission via the board's website, including a
- 2                 prominently displayed link to a complaint form.
- 3           (3) The ability to provide complainants with a written description of the final
- 4                 disposition of each complaint."

**PART II. ALARM SYSTEMS LICENSING ACT MODERNIZATION**

**SECTION 3.(a)** Chapter 74D of the General Statutes reads as rewritten:

**"Chapter 74D.**

**"~~Alarm~~Security Systems.**

**"Article 1.**

**"~~Alarm~~Security Systems Licensing Act.**

**"§ 74D-1. Title.**

This act may be cited as the "~~Alarm~~Security Systems Licensing Act."

**"§ 74D-2. License-Business and qualifying agent license requirements.**

(a) License Required. – No person, firm, association, corporation, or department or division of a firm, association or corporation, shall engage in or hold itself out as engaging in ~~an alarm-a security~~ systems business without first being licensed in accordance with this Chapter. A department or division of a firm, association, or corporation may be separately licensed under this Chapter if the distinct department or division, as opposed to the firm, association, or corporation as a whole, engages in ~~an alarm-a security~~ systems business. The department or division shall ensure strict confidentiality of private security information, and the private security information of the department or division must, at a minimum, be physically separated from other premises of the firm, association, or corporation. For purposes of this Chapter ~~an "alarm-a~~ "security systems business" is defined as any person, firm, ~~association~~association, or corporation that does any of the following:

- 1           (1) ~~Sells-Unless otherwise exempt, sells~~ or attempts to sell ~~an alarm-a security~~ system ~~device~~ by engaging in ~~a-any~~ personal solicitation ~~at a residence or business~~ to advise, design, or consult on specific types and specific locations of ~~alarm-security~~ system devices.
- 2           (2) ~~Installs-Unless otherwise exempt, installs,~~ services, monitors, or responds to electrical, wireless, or hardwired electronic or mechanical alarm signal ~~devices, devices and security systems, integrated automation of a residence or business that includes a security element, burglar alarms, monitored access control, or eameras~~cameras, analytic capturing devices, systems providing intelligence, or other imaging devices used to detect or observe burglary, breaking or entering, intrusion, shoplifting, pilferage, theft, or other unauthorized or illegal activity. ~~This provision shall not apply to a locking device that records entry and exit data and does not transmit the data in real time to an on-site or off-site monitoring location, provided the installer is duly licensed by the North Carolina Locksmith Licensing Board.~~

...

(c) Qualifying Agent. – A business entity that ~~engages in the alarm systems business~~ is required to be licensed under this Chapter is subject to all of the requirements listed in this subsection with respect to a qualifying agent. For purposes of this Chapter, a "qualifying agent" is an individual who is a full-time employee in a management position who is licensed under this Chapter and whose name and address have been registered with the Board. The requirements are:

- 1           (1) The business entity shall employ a designated qualifying agent who meets the requirements for a license issued under and who is, in fact, licensed under the provisions of this Chapter, unless otherwise approved by the Board. Service upon the qualifying agent appointed by the business entity of any process, notice or demand required by or permitted by law to be served upon the

business entity by the ~~Alarm~~-Security Systems Licensing Board shall be binding upon the licensed business entity. Nothing herein ~~contained~~ shall limit or affect the right to serve any process, notice or demand required or permitted by law to be served upon a business entity in any other manner ~~or hereafter~~ permitted by law.

...

(3) In the event that the qualifying agent upon whom the business entity relies in order to do business ceases to perform his or her duties as qualifying agent, the business entity shall notify the board in writing by letter or using the Board's online form within 10 working days. The business entity must obtain a substitute qualifying agent within 90 days after the original qualifying agent ceases to serve as qualifying agent. The Director, in his or her discretion, may extend the 90-day period for good cause by an additional 30 days upon a written request of an officer of the company.

(4) The license certificate shall list the name of the qualifying agent. No ~~licensee~~ person shall serve as the qualifying agent for more than one business entity without the prior approval of the Board.

...

(6) The qualifying agent shall be responsible for maintaining a current address and other contact information with the Board.

(d) ~~Criminal Record Check. Minimum Qualifications for Security Systems License.~~ – An applicant ~~must for qualifying agent shall~~ meet all of the following requirements and ~~qualifications determined by a background investigation conducted by the Board in accordance with G.S. 74D-2.1 and upon receipt of an application:~~ qualifications:

(1) The applicant is at least 18 years of age.

(2) The applicant is of good moral character and temperate habits. The following shall be prima facie evidence that the applicant does not have good moral character or temperate habits: conviction by any local, State, federal, or military court of any crime involving the illegal use, carrying, or possession of a firearm; conviction of any crime involving the illegal use, possession, sale, manufacture, distribution or transportation of a controlled substance, drug, narcotic, or alcoholic beverages; conviction of a crime involving felonious assault or an act of violence; conviction of a crime involving unlawful breaking or entering, burglary, larceny, or of any offense involving moral turpitude; or a history of addiction to alcohol or a narcotic drug; provided that, for purposes of this subsection, "conviction" means and includes the entry of a plea of guilty, plea of no contest, or a verdict rendered in open court by a judge or ~~jury~~-jury, including a prayer for judgment continued, adjudication withheld, or equivalent.

(3) The applicant has the necessary training, qualifications and experience to be ~~licensed~~-licensed, or the applicant has successfully completed or kept current a Certified Alarm Technician Level I course offered by the Electronic Security Association or equivalent course approved by the Board.

(4) The applicant proves how in-State activities of the licensee are to be monitored, including a business plan setting forth the type of activities to be performed in this State, such as telephone solicitation, residential and commercial installation, or monitoring. The applicant must update the plan promptly as activities change.

(e) ~~Examination.~~—~~The Board may require the applicant to demonstrate the applicant's qualifications by examination.~~

...

1       (g) An alarm monitoring company located in another state and licensed by that state  
2 which demonstrates to the Board's satisfaction that it does not conduct any business through a  
3 personal representative present in this State, but which solicits and conducts business solely  
4 through interstate communication facilities, such as telephone, the internet, and the United States  
5 Postal Service, upon receipt by the Board of a certificate of good standing from the state of  
6 licensure is not required to register employees pursuant to G.S. 74D-8. Out-of-state monitoring  
7 companies not licensed in any state must be licensed by the Board and must register employees  
8 pursuant to G.S. 74D-8.

9 **"§ 74D-2.1. Criminal background checks.**

10       (a) Authorization. – Upon receipt of an application for a license or registration, the Board  
11 shall conduct a background investigation to determine whether the applicant meets the  
12 requirements for a license or registration as set out in G.S. 74D-2(d). ~~The Department of Public~~  
13 ~~Safety State Bureau of Investigation~~ may provide a criminal record check to the Board for a  
14 person who has applied for a new or renewal license or registration through the Board. The Board  
15 shall provide to the ~~Department of Public Safety, State Bureau of Investigation,~~ along with the  
16 request, the fingerprints of a new applicant, and the ~~Department of Public Safety State Bureau of~~  
17 ~~Investigation~~ shall provide a criminal record check based upon the applicant's fingerprints. The  
18 Board may request a criminal record check from the ~~Department of Public Safety State Bureau~~  
19 ~~of Investigation~~ for a renewal applicant based upon the applicant's fingerprints in accordance  
20 with policy adopted by the Board. The Board shall provide any additional information required  
21 by the ~~Department of Public Safety State Bureau of Investigation~~ and a form signed by the  
22 applicant consenting to the check of the criminal record and to the use of the fingerprints and  
23 other identifying information required by the State or national repositories. The applicant's  
24 fingerprints shall be forwarded to the State Bureau of Investigation for a search of the State's  
25 criminal history record file, and the State Bureau of Investigation shall forward a set of the  
26 fingerprints to the Federal Bureau of Investigation for a national criminal history check. The  
27 ~~Department of Public Safety State Bureau of Investigation~~ may charge each applicant a fee to be  
28 collected by the Board and transmitted to the State Bureau of Investigation for conducting the  
29 checks of criminal history records authorized by this subsection.

30       The Board may require a new or renewal applicant to obtain a criminal record report from  
31 one or more reporting services designated by the Board to provide criminal record reports.  
32 Applicants are required to pay the designated reporting service for the cost of these reports.

33       (b) Confidentiality. – ~~The Except as necessary to support the denial of an application or~~  
34 ~~a disciplinary matter in a contested case, the~~ Board shall keep all information obtained pursuant  
35 to this section confidential in accordance with applicable State law and federal guidelines, and  
36 the information shall not be a public record under Chapter 132 of the General Statutes.

37 **"§ 74D-3. Exemptions.**

38       The provisions of this Chapter shall not apply ~~to~~ to the following:

- 39       (1) A person, firm, association or corporation that sells or manufactures ~~alarm~~  
40 security systems, unless the person, firm, association or corporation makes  
41 personal solicitations at a residence or business to advise, design, or consult  
42 on specific types and specific locations of ~~alarm-security~~ system devices,  
43 installs, services, monitors, or responds to ~~alarm-security~~ systems at or from a  
44 protected premises or a premises to be protected and thereby obtains  
45 knowledge of specific application or location of the ~~alarm-security~~ system. ~~A~~  
46 ~~person licensed under this Chapter may hire a consultant to troubleshoot a~~  
47 ~~location or installation for a period of time not to exceed 48 hours in a~~  
48 ~~one month period if the licensee submits a report to the Board within 30 days~~  
49 ~~from the date of the consultation designating the consultant as a temporary~~  
50 ~~consultant;~~

- 1 (2) Installation, servicing or responding to fire alarm systems or any alarm device  
2 which is installed in a motor vehicle, aircraft or ~~boat~~;boat.
- 3 (3) Installation or service of an ~~alarm~~ electronic security system on property  
4 owned by or leased to the ~~installer~~;installer.
- 5 (4) ~~An alarm monitoring company located in another state which demonstrates to~~  
6 ~~the Board's satisfaction that it does not conduct any business through a~~  
7 ~~personal representative present in this State but which solicits and conducts~~  
8 ~~business solely through interstate communication facilities such as telephone~~  
9 ~~messages, earth satellite relay stations and the United States postal service;~~  
10 ~~and~~
- 11 (5) ~~A person or business providing alarm systems services to a State agency or~~  
12 ~~local government if that person or business has been providing those services~~  
13 ~~to the State agency or local government for more than five years prior to the~~  
14 ~~effective date of this Chapter, and the State agency or local government joins~~  
15 ~~with the person or business in requesting the application of this exemption.~~
- 16 (6) Installation or service of a locking device that records entry and exit data and  
17 does not transmit the data in real time to an on-site or off-site monitoring  
18 location, provided the installer is licensed by the North Carolina Locksmith  
19 Licensing Board.
- 20 (7) An entity through which a customer accesses marketing or advertising  
21 material or installation instructions for a security system.

22 (b) A person licensed under this Chapter may utilize a consultant or manufacturer's  
23 representative to troubleshoot a location or installation if accompanied by the licensee and the  
24 licensee submits a report to the Board within 30 days from the date of the consultation designating  
25 the consultant as a temporary consultant.

26 "**§ 74D-4. Alarm Security Systems Licensing Board.**

27 (a) The ~~Alarm Security~~ Systems Licensing Board is hereby established.

28 (b) The Board shall consist of seven members: the Secretary of Public Safety or his or  
29 her designee; two persons appointed by the Governor, one of whom shall be licensed under this  
30 Chapter and one of whom shall be a public member; two persons appointed by the General  
31 Assembly upon the recommendation of the President Pro Tempore of the Senate in accordance  
32 with G.S. 120-121, one of whom shall be licensed under this Chapter and one of whom shall be  
33 a public member; and two persons appointed by the General Assembly upon the recommendation  
34 of the Speaker of the House of Representatives in accordance with G.S. 120-121, one of whom  
35 shall be licensed under this Chapter and one of whom shall be a public member.

36 (c) Each member shall be appointed for a term of three years and shall serve until a  
37 successor is installed. ~~No~~ With the exception of the Secretary or his or her designee, no member  
38 shall serve more than two complete three-year consecutive terms. The term of each member,  
39 other than the Attorney General or his designee, who is serving on August 7, 1989, shall terminate  
40 on June 30, 1989. Of the appointments made by the General Assembly upon the recommendation  
41 of the President of the Senate to begin on July 1, 1989, one member shall be for a term of one  
42 year and one member shall be for a term of three years. Of the appointments made by the General  
43 Assembly upon the recommendation of the Speaker of the House of Representatives, one member  
44 shall be appointed for a term of two years and one member shall be appointed for a term of three  
45 years. Thereafter all terms shall be for three years.

46 ...

47 (e) Board members who are also State officers or employees shall receive no per diem  
48 compensation for serving on the Board, and shall only receive the travel allowances set forth in  
49 G.S. 138-6. All other Board members shall receive reimbursement in accordance with  
50 G.S. 93B-5(b) and, notwithstanding G.S. 93B-5(a), shall receive as compensation for their  
51 services per diem not to exceed one hundred dollars (\$100.00) for each day during which they

1 are engaged in the official business of the Board. The Board shall set the travel allowance and  
2 per diem compensation of Board members who are not also State officers or employees.

3 (f) The Board shall elect a ~~chairman-chair~~ and a ~~vice-chairman-vice-chair~~ from its  
4 membership by majority vote at the first meeting of its fiscal year. The ~~vice-chairman-vice-chair~~  
5 shall serve as ~~chairman-chair~~ of the screening committee and shall also serve as ~~chairman-chair~~  
6 in the ~~chairman's-chair's~~ absence. At no time shall both the positions of ~~chairman-chair~~ and  
7 ~~vice-chairman-vice-chair~~ be held by either an industry representative or a nonindustry  
8 representative.

9 (g) The Board shall meet at the call of the ~~chairman-chair~~ or a majority of the members  
10 of the Board. The Board shall adopt rules governing the call and conduct of its meetings. A  
11 majority of the current Board membership constitutes a quorum.

12 **"§ 74D-5. Powers of the Board.**

13 (a) In addition to the powers conferred upon the Board elsewhere in this Chapter, the  
14 Board shall have the power ~~to do the following:~~

- 15 (1) Promulgate rules necessary to carry out and administer the provisions of this  
16 Chapter including the authority to require the submission of reports and  
17 information by licensees under this ~~Chapter;Chapter.~~
- 18 (2) Determine minimum qualifications and establish minimum education,  
19 experience, and training standards for ~~applicants and licensees~~ applicants,  
20 licensees, and registrants under this ~~Chapter;Chapter.~~
- 21 (3) Conduct investigations regarding alleged violations and make evaluations as  
22 may be necessary to determine if unlicensed individuals or entities are in  
23 violation of this Chapter and licensees and registrants under this Chapter are  
24 complying with the provisions of this ~~Chapter;Chapter.~~ The Board shall issue  
25 cease and desist orders, in writing, for violations of this Chapter with the  
26 concurrence of the Secretary of Public Safety.
- 27 (4) Adopt and amend bylaws, consistent with law, for its internal management  
28 and ~~control;control.~~
- 29 (5) Investigate and approve individual applicants to be licensed or registered  
30 according to this Chapter;Chapter.
- 31 (6) Deny, suspend, or revoke any license issued or to be issued under this Chapter  
32 to any ~~applicant or licensee~~ applicant, licensee, or registrant who fails to  
33 satisfy the requirements of this Chapter or the rules established by the Board.  
34 The denial, suspension, or revocation of such license or registration shall be  
35 in accordance with Chapter 150B of this General Statutes of North  
36 ~~Carolina;Carolina.~~
- 37 (7) Issue subpoenas to compel the attendance of witnesses and the production of  
38 pertinent books, accounts, records, and documents. The district court shall  
39 have the power to impose punishment pursuant to G.S. 5A-21 et seq. for acts  
40 occurring in matters pending before the Board which would constitute civil  
41 contempt if the acts occurred in an action pending in ~~court; andcourt.~~
- 42 (8) Contract for services as necessary to carry out the functions of the Board.
- 43 (9) Acquire, hold, rent, encumber, alienate, and otherwise deal with real property  
44 in the same manner as a private person or corporation, subject only to approval  
45 of the Governor and the Council of State. Collateral pledged by the Board for  
46 an encumbrance is limited to the assets, income, and revenues of the Board.

47 (b) The ~~chairman-chair~~ of the Board or his or her representative designated to be a hearing  
48 officer may conduct any hearing called by the ~~board~~ Board for the purpose of denial, suspension,  
49 or revocation of a license or registration under this Chapter.

50 (c) The regulation of security system businesses shall be exclusive to the Board; however,  
51 any city or county shall be permitted to require a security systems business operating within its

1 jurisdiction to register and to supply information regarding its license and may adopt an ordinance  
2 to require users of electronic security systems to obtain revocable permits when alarm usage  
3 involves automatic signal transmission to a law enforcement agency.

4 **"§ 74D-5.1. Position of Director created.**

5 The position of Director of the ~~Alarm-Security~~ Systems Licensing Board is hereby created  
6 within the Department of Public Safety. The Secretary of Public Safety shall appoint a person to  
7 fill this full-time position. The Director's duties shall be to administer the directives contained in  
8 this Chapter and the rules ~~promulgated-adopted~~ by the Board to implement this Chapter and to  
9 carry out the administrative duties incident to the functioning of the Board in order to actively  
10 police the ~~alarm systems-security~~ systems industry to insure compliance with the law in all  
11 aspects. The Director may issue a temporary grant or denial of a request for registration subject  
12 to final action by the Board at its next regularly scheduled meeting.

13 **"§ 74D-5.2. Investigative powers of the Secretary of Public Safety.**

14 The Secretary of Public Safety shall have the power to investigate or cause to be investigated  
15 any complaints, allegations, or suspicions of wrongdoing or violations of this Chapter involving  
16 individuals unlicensed, licensed, or to be licensed, under this Chapter. Any investigation  
17 conducted pursuant to this section is deemed confidential and is not subject to review under  
18 G.S. 132-1 until the investigation is complete and a report is presented to the Board. However,  
19 the report may be released to the licensee after the investigation is complete but before the report  
20 is presented to the Board.

21 **"§ 74D-6. Denial of a license or registration.**

22 Upon ~~a finding that the applicant meets the requirements for licensure or receipt of an~~  
23 application for licensure or registration under this Chapter, G.S. 74D-8, the Board shall determine  
24 whether the applicant shall receive the license or registration applied for. The grounds for denial  
25 ~~include:~~include all of the following:

- 26 (1) Commission of some act which, if committed by a registrant or licensee,  
27 would be grounds for the suspension or revocation of a registration or license  
28 under this ~~Chapter;~~Chapter.
- 29 (2) Conviction of a crime involving ~~fraud;~~the illegal use, carrying, or possession  
30 of a firearm, felonious assault or an act of violence, felonious sexual offense,  
31 felonious larceny, or felonious fraud. For purposes of this subdivision,  
32 "conviction" means and includes the entry of a plea of guilty, plea of no  
33 contest, or a verdict entered in open court by a judge or jury, including a prayer  
34 for judgment continued, adjudication withheld, or equivalent.
- 35 (3) Lack of good moral character or temperate habits. The following  
36 misdemeanor convictions shall be prima facie evidence that the applicant does  
37 not have good moral character or temperate habits: conviction by any local,  
38 State, federal, or military court of any crime involving the illegal use, carrying,  
39 or possession of a firearm; conviction of any crime involving the illegal use,  
40 possession, sale, manufacture, distribution, or transportation of a controlled  
41 substance, drug, narcotic, or alcoholic beverages; conviction of a crime  
42 involving ~~felonious~~-assault or an act of violence; conviction of a crime  
43 involving unlawful breaking or entering, burglary or ~~larceny or of any offense~~  
44 ~~involving moral turpitude;~~larceny; conviction of a crime involving a sexual  
45 offense; or a history of addiction to alcohol or a narcotic drug; provided that,  
46 for purposes of this ~~subsection~~-subdivision, "conviction" means and includes  
47 the entry of a plea of guilty, plea of no contest, or a verdict rendered in open  
48 court by a judge or ~~jury;~~jury, including a prayer for judgment continued,  
49 adjudication withheld, or equivalent.
- 50 (4) Previous denial under this Chapter or previous revocation for ~~cause;~~cause.



- 1 (5) Knowingly making any false statement or misrepresentation in an application  
 2 made to the Board for a license or registration.  
 3 (6) Being a registered sex offender in this State or any other state.  
 4 ...

5 **"§ 74D-8. Registration of persons employed.**

- 6 (a) (1) A licensee of ~~an alarm~~ a security systems business shall register with the  
 7 Board within 30 days after the employment begins, all of the ~~following~~  
 8 licensee's employees described in subdivision (1a) of this subsection that are  
 9 within the State, unless in the discretion of the Director, the time period is  
 10 extended for good ~~cause~~ cause.

11 (1a) The following employees shall be registered with the Board:

- 12 a. Any employee that has access to ~~confidential~~ any information  
 13 detailing the design, installation, or application of any ~~location specific~~  
 14 electronic security system or ~~that~~ has access to any code, number, or  
 15 program that would allow the system to be modified, altered, or  
 16 circumvented.  
 17 b. Any employee who conducts personal sales in a private residence or  
 18 who installs or services an electronic a security system in a commercial  
 19 business establishment or a personal residence.

- 20 (1b) Employees engaged only in sales or marketing that does and not involve  
 21 involved in any of the above activities described in subdivision (1a) of this  
 22 subsection are not required to be registered.

- 23 (1a)(1c) To register an employee, a licensee shall submit to the Board as to the  
 24 employee: set(s) of classifiable fingerprints on standard F.B.I. applicant cards;  
 25 recent color photograph(s) of acceptable quality for identification; and  
 26 statements of any criminal records as deemed appropriate by the Board.

- 27 (2) Except during the period allowed for registration in subdivision (a)(1) of this  
 28 section, no ~~alarm~~ security systems business may employ any employee  
 29 required to be registered by this Chapter unless the employee's registration has  
 30 been approved by the Board as set forth in this section.

- 31 (3) A licensee may employ an applicant for registration as a probationary  
 32 employee for 20 consecutive days. Upon completion of the probationary  
 33 period and the desire of the licensee to hire the registration applicant as a  
 34 regular employee, the licensee shall register the employee, as described in this  
 35 subsection, with the Board within 30 days after the probationary employment  
 36 period ends unless the Director, in the Director's discretion, extends the time  
 37 period for good cause. Before a probationary employee engages in systems  
 38 services, the employee shall complete any training requirements and the  
 39 licensee shall conduct a criminal record check on the employee, as the Board  
 40 deems appropriate. The licensee shall submit a list of the probationary  
 41 employees to the Director on a monthly basis. The list shall include the name,  
 42 address, social security number, and dates of employment of the employees.  
 43 ...

44 **"§ 74D-8.1. Apprenticeship registration permit.**

- 45 (a) The Board may issue an apprenticeship registration permit to an applicant who is 16  
 46 or 17 years old ~~and currently enrolled in high school~~ if the applicant ~~holds a valid drivers license~~  
 47 ~~and~~ submits at least three letters of recommendation stating that the applicant is of good moral  
 48 character as provided in G.S. 74D-2(d)(2). The letters of recommendation shall be from persons  
 49 who are not related to the ~~individual, and at least one of the letters shall be from an official at the~~  
 50 ~~school where the applicant is currently enrolled.~~ applicant.  
 51 ...

1 **"§ 74D-9. Certificate of liability insurance required; form and approval; suspension for**  
2 **noncompliance.**

3 ...  
4 (d) No license shall be issued under this act unless the applicant files with the Board  
5 evidence of a policy of liability insurance which policy must provide for the following minimum  
6 coverage: ~~fifty-two hundred fifty thousand dollars (\$50,000)-(\$250,000)~~ because of bodily injury  
7 or death of one person as a result of the negligent act or acts of the principal insured or his agents  
8 operating in the course and scope of his employment; subject to said limit for one person, ~~one~~  
9 five hundred thousand dollars (\$100,000)-(\$500,000) because of bodily injury or death of two or  
10 more persons as the result of the negligent act or acts of the principal insured or his agent  
11 operating in the course and scope of his or her agency; ~~twenty-one hundred thousand dollars~~  
12 (\$20,000)-(\$100,000) because of injury to or destruction of property of others as the result of the  
13 negligent act or acts of the principal insured or his agents operating in the course and scope of  
14 his or her agency.

15 ...  
16 **"§ 74D-10. Suspension or revocation of licenses and registrations; appeal.**

17 (a) The Board may, after notice and an opportunity for hearing, suspend or revoke a  
18 license or registration issued under this Chapter if it is determined that the licensee or registrant  
19 has:

- 20 ...
- 21 (3) Violated any rule ~~promulgated~~ adopted by the Board pursuant to the authority  
22 contained in this Chapter.
- 23 (4) Been convicted of any ~~crime involving moral turpitude or any other crime~~  
24 involving violence or the illegal use, carrying, or possession of a dangerous  
25 weapon-felony as set forth in G.S. 74D-6(2) or any crime as set forth in  
26 G.S. 74D-6(3).
- 27 ...
- 28 (7) Engaged in or permitted any employee to engage in any ~~alarm-security~~  
29 systems business when not lawfully in possession of a valid ~~license~~  
30 registration issued under the provisions of this Chapter.
- 31 (8) Committed an unlawful breaking or entering, burglary, larceny, sexual  
32 offense, trespass, fraud, assault, battery, or kidnapping.
- 33 (9) Committed any other act which is a ground for the denial of an application for  
34 a license or registration under this Chapter.
- 35 (10) Failed to maintain the certificate of liability insurance required by this  
36 Chapter.
- 37 ...
- 38 (15) Engaged in the ~~alarm-security~~ systems profession under a name other than the  
39 name under which the license was obtained under the provisions of this  
40 Chapter.
- 41 ...
- 42 (19) Engaged in conduct that constitutes dereliction of duty or otherwise deceives,  
43 defrauds, or harms the public in the course of professional activities or  
44 ~~services-services,~~ including fraudulently claiming a change in business  
45 ownership, fraudulently claiming dissolution of a competing business,  
46 fraudulently claiming to be a representative of the consumer's current service  
47 provider, misrepresentation of employer, or misrepresenting an upgrade of  
48 equipment as a sales tactic.
- 49 (20) Demonstrated a lack of financial responsibility.

50 ...  
51 **"§ 74D-11. Enforcement.**

1 ...  
2 (b) Any person, firm, association, corporation, or department or division of a firm,  
3 association or corporation, or their agents and employees violating any of the provisions of this  
4 Chapter or knowingly violating any rule promulgated to implement this Chapter shall be guilty  
5 of a Class 1 misdemeanor. The Attorney General, or his or her representative, shall have  
6 concurrent jurisdiction with the district attorneys of this State to prosecute violations of this  
7 Chapter.

8 ~~(e) The regulation of alarm systems businesses shall be exclusive to the Board; however,~~  
9 ~~any city or county shall be permitted to require an alarm systems business operating within its~~  
10 ~~jurisdiction to register and to supply information regarding its license, and may adopt an~~  
11 ~~ordinance to require users of alarm systems to obtain revocable permits when alarm usage~~  
12 ~~involves automatic signal transmission to a law enforcement agency.~~

13 ...  
14 (e) Proceedings for the assessment of civil penalties shall be governed by Chapter 150B  
15 of the General Statutes. If the person assessed a penalty fails to pay the penalty to the Board, the  
16 Board may institute an action in the superior court of the county in which the person resides or  
17 has his or her principal place of business to recover the unpaid amount of the penalty. An action  
18 to recover a civil penalty under this section shall not relieve any party from any other penalty  
19 prescribed by law.

20 (f) The sale, installation, or service of ~~an alarm~~ a security system by an unlicensed or  
21 unregistered person shall constitute a threat to the public safety, and any contract for the sale,  
22 installation, or service of ~~an alarm~~ a security system shall be deemed void and unenforceable.

23 ...

24 **~~§ 74D-13. Transfer of funds.~~**

25 ~~All fees collected pursuant to Chapter 74C of the General Statutes from alarm systems~~  
26 ~~businesses which have not been expended upon January 1, 1984, shall be transferred to the Board~~  
27 ~~by the Private Protective Services Board for the purpose of defraying the expenses of~~  
28 ~~administering this act.~~

29 **~~§ 74D-14. Proof of licensure to maintain or commence action.~~**

30 ~~An alarm~~ A security systems business may not maintain any action in any court of the State  
31 for the collection of compensation for performing an act for which a license or registration is  
32 required by this Chapter without alleging and proving that the ~~alarm~~ security systems business is  
33 appropriately licensed and the employee or agent of the ~~alarm~~ security systems business is  
34 appropriately registered upon entering into a contract with the consumer. ~~An alarm~~ A security  
35 systems installation, maintenance, or monitoring contract entered into with a consumer shall be  
36 void if the consumer confirms through records maintained by the Board that the ~~alarm~~ security  
37 systems business is not properly licensed or the consumer establishes through records maintained  
38 by the Board that the person enticing the consumer to enter into the contract is not properly  
39 registered by the Board. The sale, installation, or service of ~~an alarm~~ a security system by an  
40 unlicensed entity or unregistered employee shall be deemed an unfair and deceptive trade practice  
41 and shall be actionable under Chapter 75 of the General Statutes.

42 ...."

43 **SECTION 3.(b)** Article 2 of Chapter 74D of the General Statutes reads as rewritten:

44 "Article 2.

45 "Alarm Security Systems Education Fund.

46 **~~§ 74D-30. Alarm Security Systems Education Fund created; payment to Fund;~~**  
47 **~~management; use of funds.~~**

48 (a) There is hereby created and established a special fund to be known as the "Alarm  
49 Security Systems Education Fund" (hereinafter Fund) which shall be set aside and maintained  
50 in the office of the State Treasurer. The Fund shall be used in the manner provided in this Article  
51 for the education of licensees and registrants.

- 1 ...
- 2 (c) In addition to the fees provided for elsewhere in this Chapter, the Board shall charge
- 3 the following fees which shall be deposited into the Fund:
- 4 (1) ~~On July 1, 1985, the Board shall charge every licensee on that date a fee of~~
- 5 ~~fifty dollars (\$50.00);~~
- 6 (2) The Board shall charge each new applicant for a license ~~fifty dollars (\$50.00),~~
- 7 ~~provided that for purposes of this Article a new applicant is hereby defined as~~
- 8 ~~an applicant who did not possess a license on July 1, 1985; and~~ fifty dollars
- 9 (\$50.00).
- 10 (3) The Board is authorized to charge each licensee an additional amount, not to
- 11 exceed fifty dollars (\$50.00), on July 1 of any year in which the balance of the
- 12 Fund is less than twenty-five thousand dollars (\$25,000).
- 13 (d) The State Treasurer shall invest and reinvest the moneys in the Fund in a manner
- 14 provided by law. The Board in its discretion, may use the Fund for any of the following purposes:
- 15 (1) To advance education and research in the ~~alarm security~~ systems field for the
- 16 benefit of those licensed under the provisions of this Chapter and for the
- 17 improvement of the ~~industry, industry.~~
- 18 (2) To underwrite educational seminars, training centers and other educational
- 19 projects for the use and benefit generally of ~~licensees, and licensees.~~
- 20 (3) To sponsor, contract ~~for~~ for, and ~~to~~ underwrite any and all additional
- 21 educational training and research projects of a similar nature having to do with
- 22 the advancement of the ~~alarm security~~ systems field in North Carolina."

23 **SECTION 4.** G.S. 74D-7 reads as rewritten:

24 **"§ 74D-7. Form of license; term; assignability; renewal; posting; branch offices; fees.**

- 25 (a) The license when issued shall be in a form determined by the Board and shall state all
- 26 of the following:
- 27 (1) The name of the licensee.
- 28 (2) The name under which the licensee is to operate.
- 29 (3) The number and expiration date of the license.
- 30 (b) The license shall be issued for a term of two years. Each license must be renewed
- 31 before expiration of the term of the license. Following issuance, the license shall at all times be
- 32 posted in a conspicuous place in the principal place of business of the licensee. A license issued
- 33 under this Chapter is not assignable.
- 34 (c) No licensee shall engage in any business regulated by this Chapter under a name other
- 35 than the licensee name or names which appear on the certificate issued by the Board.
- 36 (d) Any security systems business with a branch office of an alarm systems business in
- 37 this State shall obtain a branch office certificate. A separate certificate stating the location and
- 38 licensed qualifying agent shall be posted at all times in a conspicuous place in each branch office.
- 39 Every business covered under the provisions of this Chapter shall file in writing with the Board
- 40 the addresses of each of its branch ~~offices.~~ offices in this State. All licensees ~~of~~ with a branch
- 41 office shall notify the Board in writing before the establishment, closing, or changing of the
- 42 location of any branch ~~office.~~ A licensed qualifying agent may be responsible for more than one
- 43 ~~branch office of an alarm systems business with the prior approval of the Board.~~ office in this
- 44 State. Temporary approval may be granted by the Director, upon application of the qualifying
- 45 agent, for a period of time not to exceed ~~10 working~~ 45 days after the adjournment of the next
- 46 regularly scheduled meeting of the Board unless the Board determines that the application should
- 47 be denied.

48 ...."

49 **SECTION 5.** This Part becomes effective October 1, 2024.

50 **PART III. MACHINERY ACT CHANGES**

1           **SECTION 6.** G.S. 105-275 reads as rewritten:

2   "**§ 105-275. Property classified and excluded from the tax base.**

3       The following classes of property are designated special classes under Article V, Sec. 2(2),  
4 of the North Carolina Constitution and are excluded from tax:

5       ...

6       (16) **Non-business Property.** —As used in this subdivision, the term "non-business  
7       property" means personal property that is used by the owner of the property  
8       for a purpose other than the production of income and is not used in connection  
9       with a business. The term includes household furnishings, clothing, pets, lawn  
10      tools, and lawn equipment. The term does not include motor vehicles, mobile  
11      homes, aircraft, watercraft, or engines for watercraft.

12      (16a) Qualified Business Property. – As used in this subdivision, the term "qualified  
13      business property" means personal property (i) suitable when fully functional  
14      to be used by the owner of the property for the production of income or in  
15      connection with a business or both and (ii) due to malfunction or nonfunction  
16      has a value not greater than scrap value.

17      ...."

18           **SECTION 7.** G.S. 105-307 reads as rewritten:

19   "**§ 105-307. Length of listing period; extension; preliminary work.**

20      (a) **Listing Period.** – Unless extended as provided in this section, the period during which  
21      property is to be listed for taxation each year begins on the first business day of January and ends  
22      on ~~January 31.~~April 15.

23      ~~(b) **General Extensions.**—The board of county commissioners may, by resolution, extend~~  
24      ~~the time during which property is to be listed for taxation as provided in this subsection. Any~~  
25      ~~action by the board of county commissioners extending the listing period must be recorded in the~~  
26      ~~minutes of the board, and notice of the extensions must be published as required by G.S.~~  
27      ~~105-296(e).~~The entire period for listing, including any extension of time granted, is considered  
28      the regular listing period for the particular year within the meaning of this Subchapter.

29      ~~(1) In nonreevaluation years, the listing period may be extended for up to 30~~  
30      ~~additional days.~~

31      ~~(2) In years of octennial appraisal of real property, the listing period may be~~  
32      ~~extended for up to 60 additional days.~~

33      ~~(3) If the county has provided for electronic listing of personal property under~~  
34      ~~G.S. 105-310.1, the period for electronic listing of personal property may be~~  
35      ~~extended up to June 1. A resolution that provides a general extension of time~~  
36      ~~for the electronic listing of personal property shall continue in effect until~~  
37      ~~revised or rescinded unless otherwise stated in the resolution.~~

38      (c) **Individual Extensions.** – ~~The~~If the county has provided for electronic listing of  
39      personal property under G.S. 105-310.1, the board of county commissioners shall~~may~~ grant  
40      individual extensions of time for the listing of real and personal property upon written request  
41      and for good cause shown. The request must be filed with the assessor no later than the ending  
42      date of the regular listing period. The board may delegate the authority to grant extensions to the  
43      assessor. Extensions granted under this subsection shall not extend beyond ~~April 15.~~  
44      ~~Notwithstanding the individual extension time limitation in this subsection, if the county has~~  
45      ~~provided for electronic listing of personal property under G.S. 105-310.1, extensions granted for~~  
46      ~~electronic listing of personal property shall not extend beyond June 1.~~

47      (d) **Preliminary Work.** – The assessor may conduct preparatory work before the listing  
48      period begins, but may not make a final appraisal of property before the day as of which the value  
49      of the property is to be determined under G.S. 105-285."

1           **SECTION 8.** Section 6 of this Part becomes effective for taxes imposed for taxable  
2 years beginning on or after July 1, 2025. The remainder of this Part is effective when it becomes  
3 law.  
4

5 **PART IV. INCREASE THE AMOUNT OF TRAINING REQUIRED FOR LICENSURE**  
6 **BY THE NORTH CAROLINA BOARD OF MASSAGE AND BODYWORK THERAPY**

7           **SECTION 9.(a)** G.S. 90-629 reads as rewritten:

8 "**§ 90-629. Requirements for licensure to practice.**

9           Upon application to the Board and the payment of the required fees, an applicant may be  
10 licensed as a massage and bodywork therapist if the applicant meets all of the following  
11 qualifications:

- 12           (1) Has obtained a high school diploma or equivalent.
- 13           (2) Is 18 years of age or older.
- 14           (3) Is of good moral character as determined by the Board.
- 15           (4) Has successfully completed a training program consisting of a minimum of  
16 ~~500-650~~ in-class hours of supervised instruction at a Board-approved school.
- 17           (5) Has passed a competency assessment examination that meets generally  
18 accepted psychometric principles and standards and is approved by the Board.
- 19           (6) Has submitted fingerprint cards in a form acceptable to the Board at the time  
20 the license application is filed and consented to a criminal history record check  
21 by the State Bureau of Investigation.
- 22           (7) Demonstrates satisfactory proof of proficiency in the English language."

23           **SECTION 9.(b)** This section becomes effective July 1, 2024, and applies to licenses  
24 issued on or after that date.

25  
26 **PART V. EFFECTIVE DATE**

27           **SECTION 10.** Except as otherwise provided, this act is effective when it becomes  
28 law.